



Inside Congress

by United States Representative George R. Nethercutt, Jr.

For the week ending June 7, 2002

Welcome to this week's edition of Inside Congress. I am glad to share with you a little of my work in the national legislature. Please follow the listed links or contact my office for more information on the topics mentioned here.

TOWN HALL MEETING IN IONE SATURDAY

I encourage Pend Oreille County residents to join me Saturday morning at 10 a.m. in Ione for a town hall meeting at the Riverview Inn. This is a great time for you to share your comments and concerns with me, especially regarding local issues like the Box Canyon Dam re-licensing. I look forward to discussing my work in Congress with the people of Pend Oreille County.

CUBA BUYING \$1 MILLION IN WASHINGTON STATE PEAS

Cuba is in the midst of purchasing \$1 million in peas from Washington state producers, the first such sale since the imposition of an embargo that has lasted 40 years.

The deal is all but signed for the purchase of 3,000 metric tons of Washington state peas. Tight supplies kept this from being a larger sale, but I'm hopeful that Cuba will purchase more peas after this year's crop is harvested in August. More orders could shrink supplies and raise the price of the commodity, which is good news for farmers. Cuba announced intentions in March to purchase approximately 20,000 metric tons of dry peas from Washington State.

Tim McGreevy and the U.S.A. Dry Pea and Lentil Council have worked tirelessly every step of the way to see that this sale is completed, and they deserve the credit for making it happen.

This sale gives us one million more reasons why we need to improve our commercial relations with Cuba. Our struggling state economy needs new market opportunities, and this sale shows that lifting embargoes can provide a tangible benefit to our agriculture producers.

LEGISLATION

This week I became a cosponsor of **H.R. 3324**, introduced by Rep. Nancy Johnson of Connecticut. This legislation gives a tax credit for associated development costs in the basis of any building included in a low-income housing project when calculating the low-income housing credit. The bill establishes the amount of tax credits a project receives based on the actual cost of the development rather than using the current depreciable basis concept. By basing the credit on actual cost, regulations will be reduced, the tax credit would be enhanced, and investors could calculate the gains with more accuracy.

ON THE FLOOR

Here is a recap of the legislative activity for the week:

H.R. 2143, Permanent Death Tax Repeal Act of 2001. The bill passed by a vote of 256-171. I voted yes.

The tax relief package passed by Congress last year included a phased-out repeal of the death tax leading up to the year 2010, when the tax is eliminated. However, in 2011, the death tax rises from the dead and is back at the sky-high 55 percent level. This bill guarantees the permanent repeal of the death tax in the year 2010.

The uncertainty of the future of the death tax makes it difficult for owners of family businesses and farms to make wise economic decisions. Families must make business decisions that take into account the phase-out, complete repeal and reinstatement of the death tax. The legal and administrative costs of compliance with the complex and uncertain tax regime inhibit the growth and expansion of businesses and farms. The Death Tax is an inefficient way to raise revenue. The truth is, in 2001, estate and gift taxes represented only 1.4 percent of the total Federal receipts collected. The death tax forces families to make inefficient investments and tax-avoidance planning, discourages savings and hurts small businesses and family farms.

H.R. 2941, Brownfields Redevelopment Enhancement Act. The bill passed by a voice vote. I voted yes.

There are over 500,000 "brownfield" sites across the country – sites where redevelopment is complicated by environmental contamination. H.R. 2941 focuses on providing access to capital for local entities that traditionally have had trouble obtaining financing for brownfield redevelopment activities. This would make it easier for small cities to qualify for funding. Many believe that by promoting the redevelopment of these sites and revitalizing the communities around them, local jurisdictions would improve the quality of life and the environment in these areas.

H.R. 4800, Making the Adoption Tax Credit Permanent. The bill passed by a vote of 391-1. I voted yes.

H.R. 4800 repeals the time limit on the adoption tax credit so that the adoption tax credit provisions last year's tax relief legislation are permanent. If H.R. 4800 is not enacted, then beginning in 2011: The adoption tax credit will be reduced from a maximum of \$10,000 to \$5,000; families who adopt special needs children will no longer receive a flat \$10,000 credit; instead, they will be limited to a maximum of \$6,000; and the credit will no longer be permanent - it will have to be extended each year.

H.R. 3983, Maritime Transportation Antiterrorism Act of 2002. The bill passed by a voice vote. I voted yes.

This legislation establishes a comprehensive national antiterrorist system that increases the security of maritime transportation and reduces the risk of the maritime transportation system being involved in a terrorist incident. This is especially important since current growth predictions indicate that container cargo will quadruple in the next 20 years. H.R. 3983 seeks to ensure that we implement additional transportation security measures that deter a terrorist attack without interfering with the efficient movement of cargo through U.S. ports and waterways.

SCHEDULE

On Memorial Day I was in France where I laid a wreath on behalf of Washington state veterans who have served in foreign wars at the Normandy American Cemetery, site of the D-Day landings. I participated in President Bush's Memorial Day event there.

I met with Tim Coleman and Hal Rowe from the Kettle Range Conservation Group to discuss forest policy. I met with Neil Beaver of the Lands Council regarding forest issues and the cleanup of the Spokane River system. I met with former Governor and Senator Dan Evans to discuss the good work underway in the Walla Walla basin. I met with President Egils Milbergs and Bryan Borlik of the National Coalition for Advanced Manufacturing regarding issues facing the manufacturing community. I met with Dean Haagenson, Jeff Bast, Jim Elmer and Bob Jones from Associated Builders and Contractors. I met with John Preston of Spokane regarding cancer research funding increases. I met with Dina Wells, Linda Mattox, Anne Blair and Suzanne Peterson of Children's Hospital and Regional Medical Center to discuss federal regulations affecting hospitals. I was interviewed by Aaron Marson, a student at Walla Walla Community College.

I met with members of the Building Industry Association of Washington regarding housing issues. I met with former Rep. Charlie Wilson on defense issues and participated in a Defense Appropriations Subcommittee hearing regarding the Crusader artillery system.

I met with Energy and Water Appropriations Subcommittee Chairman Sonny Callahan (R-AL) and Representative Norm Dicks (D-WA) regarding increasing Bonneville Power Administration's (BPA) borrowing authority to finance transmission enhancements. I participated in a Rural Health Care Coalition meeting to discuss rural Medicare priorities. Dr. Fred Bennett, commissioner of the Port of Walla Walla, Jerry Cummins, mayor of Walla Walla, Dave Carey, county commissioner, Jim Caddey, mill controller, Boise Wallula Mill, and Jim Kuntz, executive director of the Port of Walla Walla met with me regarding Highway 12 funding. Finally, I met with Australian Senator Guy Barnett regarding worldwide efforts to cure diabetes.

CONTACT INFORMATION:

I always enjoy hearing from you. Please feel free to contact me if I can be of assistance to you in any matter. Here are some of the ways you may reach me, especially if you know of others who may want to receive this report each week:

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